



LEX PROPERTY MANAGEMENT LIMITED

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5 February, 2007

Dear Investor,

LEX Retail Property Trust – Increase in Forecast Distributions 2006/2007

The Directors of LEX Property Management Limited, the Responsible Entity of the LEX Retail Property Trust ("Trust"), are pleased to provide the following update.

JUNE 2007 UPDATED FULL YEAR FORECAST DISTRIBUTION

The latest review of the forecast financial performance of the Trust for the year ending 30 June 2007 has now been completed.

THE FORECAST DISTRIBUTION FOR THE 2006/2007 YEAR HAS INCREASED TO 9.865 CENTS PER UNIT

This compares with the previous forecast of 9.45 cents per unit which was included in the Product Disclosure Statement ("PDS") dated 9 September 2005 issued by the Trust.

The higher distribution to Unitholders arises through:

- the benefit of lower interest costs from the completion of the Property under budget; and
- estimated rental income following the forthcoming annual rent review due in March 2007 which is in line with our previous forecasts.

MARCH 2007 QUARTER PAYMENT TO UNITHOLDERS

Based on this updated forecast, we now plan to make a cash distribution for the March 2007 quarter of 2.5575 cents per unit. This will be paid to Unitholders on 20 April 2007.

Our next regular update will be at the time of the next distribution in April. In the meantime, if you have any questions regarding your investment in the Trust, please do not hesitate to contact LEX Investor Services on 1800 502 464.

Yours sincerely,
LEX Property Management Limited

A handwritten signature in black ink, appearing to read 'Nick Wyatt', written over a horizontal line.

Nick Wyatt
Managing Director